

Medicare Advantage: Know Before You Enroll!

Recently, the Kentucky Office of Insurance has received reports regarding some insurance agents enrolling members into Medicare Advantage plans without fully explaining the plan and how it works. Another concern that has been brought to our attention is health care provider participation. As with any policy or plan, make sure you understand the product and what's covered before you enroll.

The following brief explanation of Medicare Advantage plans will give you some understanding of how they work. These plans are available through Part C of the Medicare program. If you join one of the Medicare Advantage plans, you generally obtain all of your Medicare-covered health care services through that plan rather than traditional Medicare. Medicare Advantage plans have several options to choose from and each performs differently. Those options are:



- **Health Maintenance Organization (HMO)** provides services only through a network of doctors, hospitals, laboratories and other providers that participate with the plan.
- **Preferred Provider Organization (PPO)** is a plan that includes a group of doctors, hospitals and other providers who have agreed to provide services to members of the plan. Unlike an HMO, you do have the option of using providers not on the preferred provider list. To encourage use of the providers listed, members will experience a lower out-of-pocket expense than when using a provider not listed.
- **Fee-for-Service (FFS)** plans allow an individual to go to the doctor, hospital and other providers of his or her choice and then submit the claim to the insurer. Not all medical providers will accept this plan. Be sure the ones you visit will accept it before enrolling in this type of plan.

Medical Savings Account (MSA) and Medicare Special Needs plans are other choices of Medicare Advantage plans. Keep in mind, all Medicare Advantage plans are regulated and serviced by the federal government.

As mentioned earlier, provider participation in Medicare Advantage plans has become a concern. Some consumers are finding that the medical providers they typically visit either do not accept their chosen plan or are outside of their plan's network. Depending on the Medicare Advantage plan selected, this can result in higher out-of-pocket expenses for the member. In addition, some services may not be covered at all. If you enroll in a plan that utilizes a provider network, be sure your medical providers participate in that network before you enroll.

To join a Medicare Advantage plan, you must have Medicare Part A and Part B. You will still be required to pay your monthly Medicare Part B premium. Also, the Medicare Advantage plan may have a monthly premium. If you have a Medigap policy and join a Medicare Advantage plan, you cannot use your Medigap policy. This means your Medigap policy won't pay any deductibles, co-insurance or other cost-sharing under your Medicare Advantage plan. You may want to drop your Medigap policy if you join a Medicare Advantage plan. However, you have a legal right to keep the Medigap policy. Be aware that if you elect a Medicare Advantage plan and cancel your Medigap policy but later decide to switch back, you are no longer guaranteed a Medigap policy, which may leave you without valuable coverage. There are some exceptions to this rule. Contact Medicare for more information about those exceptions.



Not all Medicare Advantage plans include prescription benefits. If the plan you choose does not have prescription benefits and you want the coverage, you will need to purchase a Medicare Part D plan. As with other parts of Medicare, Part D usually requires a premium for the coverage.

It is important to remember that once you sign up for a Medicare Advantage plan, you are locked into that plan for the remainder of that year. Only under special circumstances are you allowed to cancel the plan and return to a guaranteed-issue Medigap plan. To learn more about these circumstances or to obtain current information about Medicare Advantage plans and where these plans are offered, call 1-800-MEDICARE (1-800-633-4227) or go to Medicare's Web site at www.medicare.gov.

If you have questions regarding the actions of any agent offering this product, please contact our office at Kentucky Office of Insurance, P. O. Box 517, Frankfort, KY 40602-0517 or by calling 1-(800) 595-6053. You can also visit our Web site at: <http://doi.ppr.ky.gov/kentucky>.



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